

The Politics of Poverty: Elites, Citizens and States

Findings from DFID-funded research on Governance and Fragile States Paper based on a stakeholder event, 21-22 June 2010

1. A ten-year journey in understanding politics in development

Governance is sometimes seen as an intangible concept. But at root it is a simple one. Governance describes the way countries and societies manage their affairs politically and the way power and authority are exercised. This makes a big difference to all our lives: it determines the security of our families from conflict, disease and destitution; our freedom to actively participate in our societies and to have a say in the way we are governed; and our opportunities to educate ourselves and to be economically productive, securing a better future for ourselves and our communities. Governance determines whether our states can collect taxes and use them responsibly to deliver public services. For the poorest and most vulnerable, the difference that good, or particularly bad, governance, makes to their lives is profound: the inability of government institutions to prevent violent conflict, provide basic security, or basic services can have life-or-death consequences; lack of opportunity can prevent generations of poor families from lifting themselves out of poverty; and the inability to grow economically and collect taxes can keep countries trapped in a cycle of aid-dependency.

Governance is also vital for effective aid, which often depends on whether and how governments, leaders, and citizens work together in developing countries to fight poverty and promote growth, peace and security. Understanding the political and economic actors and institutions that promote or oppose change has often made the difference between success and failure of development interventions.

DFID-funded governance research has changed our understanding of what types of political institutions work for the poorest. Four major research

programmes that have been funded by DFID over the past ten years are closing in 2010. The Citizenship, Accountability and Participation Programme (<http://www.drc-citizenship.org/>) and the Centre for the Future State (<http://www2.ids.ac.uk/futurestate/>); the Crisis States Research Centre (<http://www.crisisstates.com/>) and the Centre for Research on Inequality, Human Security and Ethnicity (<http://www.crise.ox.ac.uk/>) have produced one of the largest consolidated bodies of evidence about governance, conflict and development.

To celebrate and learn from the work of these programmes, a stake-holder event held on 21 and 22 June brought together researchers, DFID and international policymakers, practitioners and users of research. Participants at the event discussed where the programmes, and the broader knowledge-base has brought us in answering the research questions that the development community was asking ten years ago, and how those questions have changed over this time. The successes and challenges in bringing research into policy and practice were also discussed, as well as ways forwards in connecting the worlds of research, policy and practice.

This conference report is not intended to repeat the findings from the research programmes, which have already been presented in a DFID synthesis document (<http://www.dfid.gov.uk/politicsofpoverty>) and in a range of synthesis materials produced by the programmes themselves. Rather, the report aims to add the insights that emerged from the combination of perspectives on the research at the event. In the remainder of section 1, the report outlines briefly the journey of DFID-funded research in unpacking the concepts of governance and of politics in development, especially in 'fragile states'. Section 2 relates some of the challenges in connecting the worlds of research and policymaking, including the issue of dealing with complexity, and the tension between long-term research timeframes and the need felt by policy-makers and practitioners to 'know what to do differently on Monday morning'. Finally, in section 3 the report discusses what participants at the event felt the next generation of governance research questions should be to

help us act more effectively in the field of development, and how they could be researched in a way that bridges the worlds of research, policy and practice.

1.1 'Ten years ago, politics was a metaphor for everything we didn't know'

Participants at the event heard repeatedly from external stakeholders that DFID's investment in governance research had contributed to the organisation's reputation as the donor that has over the years had the most to say about governance. The event allowed researchers, DFID staff and external policymakers and practitioners to look back at the research questions that the development community was asking ten years ago and to assess how research has helped us to answer those questions – in other words to get a sense of where we have travelled in ten years of researching politics in development.

The push to take politics into account in development was an evolution of the 'good governance' agenda that emerged in the 1990s. This agenda involved a set of 'technocratic' reforms in public administration and public finance that involved political as well as economic institutions. Donors felt they understood what policies were needed but were frustrated by the apparently limited capacity to implement these reforms. However, the assumption that building state capacity was an essentially technical and formulaic process involving injections of technocratic capacity was quickly confronted with the political dimensions of state effectiveness and good governance. A subset of this confrontation with politics came from the increasing involvement of donors from the 1990s in conflict-affected countries from Mozambique to El Salvador. When donors engaged in post-conflict work it became clear that conciliation and state-rebuilding could not be pursued in a simply technocratic manner.

For all these reasons the development community, from policymakers and practitioners to researchers, began to talk about understanding politics in development. But what did they mean by politics? It appeared that the development community was using politics as a metaphor for everything that it didn't know. Politics was what the economists wouldn't fit in the equations and if the equations weren't working then politics was the cause.

1.2 Breaking down the concept of politics in development

Taking this concept of politics that was so big that it appeared quite unmanageable ten years ago, the development community has broken it down into medium sized questions that are more feasible to approach from a research perspective. The research programmes discussed in this event have made a major contribution to defining and answering these questions. The questions were reflected in different combinations in the sessions of the stake-holder event and also in the synthesis document that accompanied the event. The conference participants heard them being described in the following way:

- ***How do the incentives of elites shape or distort development?***

This has emerged as a particularly important factor in understanding conflict. Research, including some of the findings celebrated at this event, together with the experience of donors operating in conflict-affected states pointed to the need to look at the glue of state-building – the elite bargains that underpin the state. It was noted at the event that not only is the political settlement important after conflict, but that violence and other shocks can be a catalyst for new alliances between elites that may promote development.

- ***How do state-society relations shape the important citizen dimension to development?***

An abiding theme in all four research programmes, the impact of citizen engagement on building capable, responsive and accountable states has been found in this research to be more important than previously thought. Inclusion of social groups has also emerged as key in reducing the risk of conflict.

- ***How do the political dimensions of economic institutions explain the real-world outcomes of economic policy and state-building?***

Political economy analysis has changed the way we look at economic institutions and helped us to understand where economic policy prescriptions have failed and where unorthodox approaches have succeeded. It has also helped us to see the significant political benefits of certain economic policies such as taxation.

- ***What is the role of informal institutions in development outcomes?***

There has been a surge of interest in the large role of informal institutions where the formal institutions of the modern state have not established dominance over public authority. Research has shown that these institutions, too often thought of as vestiges of ‘tradition’, are pervasive, adaptive, and can deliver positive developmental outcomes as well as negative ones.

This elucidation of the unwieldy concept of politics in development has had a profound influence on the way a vanguard of donors approach governance at the strategic policy level and in different country contexts. Political Economy analysis has become a key tool both within DFID and in other organisations such as the World Bank. The way accountability, conflict and institutional contexts are conceptualised and analysed in these tools owes an indirect, and in many cases a direct, debt to the research programmes celebrated at this event.

2. Is what we have learned relevant to policy and practice?

By gathering together researchers, policymakers and practitioners, the event was able to extensively explore the impact that this research has had upon policy and practice as well as the tensions that have prevented its uptake. The successes have been alluded to above. This research has allowed DFID to become a leader in facing up to the necessity to go beyond economics to understand development and the need to be sceptical about generic formulas and magic bullets. The event heard a number of stories about the value of this research in informing tools of analysis at country level, such as in Nepal, and in feeding into better programming as a result.

The difficulties in connecting research and policy are worth mentioning in more detail since we hope to address them in future generations of policy-relevant research. Some of the messages in this research may be inherently difficult for donors to consume and act upon since they imply a need for donors to be more limited and realistic in their aims, compared to the broad and ambitious expectations of the technocratic reforms of the 1990s. In many cases, the research messages are more about what donors should not do than about what they should do. It was noted that this had already been taken on board to some extent by donors who now regularly talked in terms of 'second best solutions' and 'good enough governance.' But there are enduring tensions in translating research messages into action or inaction. For example, whilst understanding the specific political settlement that underpins a given state was widely seen by participants as important since experience shows that policies and programmes that do not take it into account may fail, participants were not certain to what extent political settlements were only or primarily the business of local elites and citizens to achieve, or something which external actors should seek to influence. Should international development organisations merely use political economy analysis to adapt programmes to the existing space for reform, or should they be using it to

actively expand the space for reform? Thus the research forces an assessment of the equation between aid and local political actors.

2.1 Dealing with complexity: ‘how much do I have to understand before I lay down the pipes?’

One participant who had worked as a social scientist alongside a team of waste disposal engineers related that the engineers, frustrated at the length of the social science study and the complexity it uncovered, asked ‘how much do I need to understand before I lay down the pipes?’ This anecdote resonated with a theme that ran throughout the event; namely the difficulty of taking research findings that often emphasise complexity and the specificity of particular contexts and making them speak to policymakers and practitioners who want to be able to measure, generalise, and ‘know what to do differently on Monday morning.’

Much of the research is concerned to draw attention to the very complex dynamics of given contexts and histories in determining the path of development and the success or failure of development interventions, and the phrase ‘no blueprints’ was heard repeatedly during the event. However it is difficult for policymakers and practitioners to operationalise this message beyond the recognition of the need to understand more – a recognition that can often be burdensome to those involved in the urgent time-frames of policy and practice.

Other participants felt that the notion that researchers revelled in complexity had been over-stated and that, on the contrary, it was the role of academic researchers to interpret complex data and to make comparisons, conclusions and generalisations from them. There were a number of such comparisons made in the individual presentations of research results, such as a presentation of the different coalitions in civic governance that accounted for different trends in lethal homicide and taxation in three Colombian cities.

Moreover, making comparisons and drawing out generalisable findings are at the core of all the research programmes to some extent. For example, the Citizenship Accountability and Participation programme has produced a meta-analysis of 100 case studies on the impact of citizen engagement and the conditions in which such engagement had positive, and negative, outcomes; CRISE has combined country, and within-country case studies and econometric work to test its hypothesis on the role of HIs in increasing the risk of conflict; CSRC has worked on developing better methods for measuring state fragility and state performance. Thus, the research may argue for the importance of understanding context and complexity, but it does by its very nature deal with some degree of generalisation.

Part of the difficulty in communicating this to policy and practice may lie in language and translation of complex arguments into packages which can be used by policymakers. The impact of these research programmes on political economy analysis and strategic conflict assessment tools used by DFID and others has already been mentioned. An external participant noted that this use of research fitted in with the new emphasis on risk management in some donor organisations. Some participants suggested that the research could be further utilised in developing 'frameworks of analysis' that can actually cut through complexity to guide policy and practice. These tools could both be scaled down to the sector level and upwards to yield cross-country comparisons. One participant noted that a governance research lens could provide second-best solutions that might be very different to, but much more effective than, those which a sectoral specialist might have chosen – giving some examples including from the telecoms sector in Zambia. At the other end of the scale, consistent with the desire expressed by policymakers and practitioners for more comparability and generalisability of tools and findings, some called for political economy tools to be modified to allow comparative analysis of different country contexts and to generate comparative typologies. These could be useful in thinking about the sequencing of reform in different contexts.

3. Looking ahead

3.1 The need for 'meso-level' findings

Some participants felt that the research celebrated at the event was too pure in nature, and was operating at too high a level to be directly actionable particularly for practitioners running programmes on the ground. One external user of research noted that although it was valuable for operational staff to be more politically literate, research about how countries change, about great tides of history, could not speak easily to a harassed director in DR Congo wanting to know what to do differently. In a results-based era, research on governance and politics in development needed to be able to translate into concrete proposals. Thus, a number of participants argued for the need to begin to fill the middle-level gap and provide problem-driven evidence on what type of aid interventions were effective given different political contexts, especially in different types of fragile states. Research should begin to use the insights from high-level understandings of the way development happens to inform and take forwards middle level questions about aid interventions. This message was echoed by some researchers, who called for more research on the effectiveness of interventions. This was doubly important, these voices argued, since evaluations of interventions were often not in the public domain, were often not comparative, and were not peer reviewed.

A number of different ways of achieving this were considered, including a shift from what was described as a 'Fordist production system' of research in which many similar types of outputs policy papers academic papers were produced to a more customised way of producing research, or a 'Toyota' production approach. Research need not be simply commissioned, produced, and then handed over to the policymaker or practitioner. Rather, the researcher and practitioner could spend time together during the research process. It was noted by other participants that the four research programmes had made some strides in producing different types of outputs customised to different audiences, including those designed to be used in influencing policymakers in

the contexts where research was undertaken. ‘It’s not about how many bullet points we’ve produced for international donors’ said one researcher, ‘but about how the research is used by policymakers, activists and research institutions in the places where the research was conducted’.

3.2 The need for networking and intermediation

There were some warnings that too close a relationship between policymakers, practitioners and researchers could come at the detriment of high quality research findings and could prevent researchers from being able to say anything substantive. Rather, what was needed was a better and more professional approach to intermediation between policymakers and researchers in the commissioning, delivery, interpretation and dissemination stage. This was needed in order to support donors in being able to absorb complicated messages from research, partly by packaging research findings in a way that policymakers could use. DFID was praised for its progress in the sphere of research intermediation, of which this event was described as an example. Moreover, participants were reminded that the holding of this event at the end of the lifespan of these research programmes should not obscure the iterative relationship that the research and researchers had had with DFID and other policymakers over the last decade. These connections may need to be more methodically recorded and attributed, since, as one policymaker warned ‘we may be in danger of being too self-deprecating about the impact of research on policy.’

The event was deeply preoccupied with the need to build a community of practice linking those commissioning and undertaking research as well as those who were currently using, or should be using research. New innovations in information technology could be used in the generation and dissemination of research to link researchers and research to policymakers. This could be based on expansion of existing platforms for sharing governance research. The Governance Partnership Facility run by the World Bank with support from

donors including DFID might represent one potential sharing platform for those commissioning and using governance research to coordinate better.

3.3 Research in a changing global context

As well as the questions listed in section 1 that represent the breaking-down of the notion of politics in development over the past decade, another broader question has haunted development research over this period because it has remained a matter of controversy, namely:

- ***Can we prove empirically that better governance leads to better development outcomes?***

In section 1, the context in which governance research questions originated was discussed. But the context has not stood still over the past decade, and the new global context has already shifted the foundations on which many governance questions were based.

- The concern with politics in development originally emerged during the post-cold war period, when the development community assumed that we knew what policy solutions and development models were needed and that the challenge was to make them politically feasible.
- This community also believed that the conflicts in which it was increasingly engaged were essentially a matter of wrapping up unfinished business from the cold war era and would diminish over time.
- Finally, there was an assumption that barriers to political work such as democratisation were declining along with a benign process of globalisation.

These assumptions have changed:

- The economic and political models that are required to achieve economic growth and reduce poverty do not command so much

consensus internationally thanks to the major development successes of the past decade that have not followed these orthodoxies, notably the Chinese example.

- We now know that conflict did not diminish after the Cold War. Conflicts are multiplying and diversifying, as we can see not only in Iraq and Afghanistan, but also in Kyrgyzstan, Thailand and in the conflict in Mexico related to drug trafficking. Conflict is increasing and is taking on new forms, including an explosion in urban ‘social’ violence, which the CSRC, amongst other research programmes, has investigated.
- There has been a tremendous backlash against political intervention and the democracy community faces much greater resistance internationally.

So although understandings of politics in development have moved very far in the past ten years, the very questions we have been asking are changing under our feet. The research programmes celebrated here have participated in influencing the research questions the next generations of research will pursue, such as around new forms of violence, the impact of global incentives on elites and citizens, unorthodox models of economic development and the future of aid. But there is a need to take stock not only of where we have travelled in understanding governance and the politics of poverty, but also of where the world has travelled at the same time.